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JUL 18 WAR FOOD ADMINISTRATION
Extension Service
Washington.25, D. C.

U. S. DEPARTMENT OF AGRICULTURE

Disposals of Property Acquired by State Agricultural Extension Services With Funds Allotted Under Section 2, Farm Labor Supply Appropriation Act, 1944, as Amended

I. Purpose and Scope

From time to time reports have been received from the field that the State extension services have on hand small quantities or particular types of equipment and property which are no longer needed by them in the farm labor supply program. In most instances the cost of transportation to another place or the expense of storage of such materials and equipment would entail so large an expense that it would be to the best interests of the program if the property were disposed of locally by sale or otherwise. The State extension services, therefore, have requested advice as to the action to be taken by them and the procedure to be followed in the reporting, disposing and accounting of such property. The purpose of this circular is to furnish the information desired and to establish a uniform procedure for disposal of property and supplies surplus to the needs of the farm labor supply program administered by the several State extension services. These instructions apply only to property acquired with funds allotted under Section 2 of the Farm Labor Supply Appropriation Act, 1944, as amended, pursuant to the cooperative agreements for extension work in the farm labor supply and distribution between the War Food Administrator and the State extension services, which agreements provide that "unless otherwise directed by the Administrator, to return to the Administrator all unexpended personal property acquired with funds allotted under the agreement or, if the Extension Service so elects, the value thereof as determined by the Administrator after consideration of estimates submitted to him by the Extension Service, when such property is no longer needed in the administration of the program undertaken with the funds."

II. Definitions.

For the purpose of these instructions, the term.

- (A) "Surplus property" means any property which has been determined by the State Director to be surplus to the needs and responsibilities of the State extension service under the cooperative agreement for the supply and distribution of farm labor between that agency and the War Food Administrator.
- (B) "Best price obtainable" means the highest price offered which is adequate in the light of a reasonable knowledge or test of the market, having due regard for current prices for any raw materials or products for which quotations are published and to the circumstances, nature, dition, quantities and location of the particular property.

- (C) "Scrap" means property that has no reasonable prospect of sexcept for its basic material content.
- (D) "Salvage" means property that is in such a worn, damaged, deteriorated or incomplete condition that it has no reasonable prospect of sale as a unit, except for its serviceable components and scrap. It should be noted that property is not "salvage" merely because it is worn, damaged, deteriorated or incomplete.

III. Disposal of surplus property.

Surplus property may be disposed of by the State extension service in the following circumstances:

- (A) Sale of waste, salvage, scrap, and other similar items or damaged property. Any Extension Service may sell at the best price obtainable any waste, salvage or scrap and any property which is damaged or worn beyond economic repair.
- (B) Sale of small lots. Any Extension Service may sell at the best price obtainable any item or group of substantially similar items of property in its possession when the cost (estimated if not known) of all such items at any one location does not exceed \$300. Property shall not be subdivided in order to bring it within the provisions of this subsection.

Receipts from such sales shall be deposited and accounted for in the same manner as funds allotted under the cooperative agreement.

IV. Other surplus property.

All surplus property not authorized to be disposed of by the State extension services under this instruction shall be reported by the State extension services to the Director of Extension Work (Federal) for ultimate disposition thereof.

V. Records.

The State extension services shall make appropriate entries in the inventory of property maintained by them and prepare and maintain such other records as may be necessary to set forth clearly the property sold or reported for disposal under this instruction.

Memorandum from Acting Associate Solicitor Justin H. Folkerth May 23, 1945